the State's average or typical payment for that service.

[66 FR 2681, Jan. 11, 2001, as amended at 73 FR 71854, Nov. 25, 2008; 75 FR 30265, May 28, 2010]

# § 457.560 Cumulative cost-sharing maximum.

- (a) A State may not impose premiums, enrollment fees, copayments, coinsurance, deductibles, or similar cost-sharing charges that, in the aggregate, exceed 5 percent of a family's total income for the length of a child's eligibility period in the State.
- (b) The State must inform the enrollee's family in writing and orally if appropriate of their individual cumulative cost-sharing maximum amount at the time of enrollment and reenrollment.

[66 FR 2681, Jan. 11, 2001, as amended at 66 FR 33824, June 25, 2001]

## §457.570 Disenrollment protections.

- (a) The State must give enrollees reasonable notice of and an opportunity to pay past due premiums, copayments, coinsurance, deductibles or similar fees prior to disenrollment.
- (b) The disenrollment process must afford the enrollee an opportunity to show that the enrollee's household income has declined prior to disenrollment for non payment of costsharing charges, and in the event that such a showing indicates that the enrollee may have become eligible for Medicaid or for a lower level of cost sharing, the State must facilitate enrolling the child in Medicaid or adjust the child's cost-sharing category as appropriate.
- (c) The State must ensure that disenrollment policies, such as policies related to non-payment of premiums, do not present barriers to the timely determination of eligibility and enrollment in coverage of an eligible child in the appropriate insurance affordability program. A State may not—
- (1) Establish a premium lock-out period that exceeds 90-days in accordance with §457.10 of this part.
- (2) Continue to impose a premium lock-out period after a child's past due premiums have been paid.
- (3) Require the collection of past due premiums or enrollment fees as a con-

dition of eligibility for reenrollment once the State-defined lock out period has expired, regardless of the length of the lock-out period.

(d) The State must provide the enrollee with an opportunity for an impartial review to address disenrollment from the program in accordance with §457.1130(a)(3).

[66 FR 2681, Jan. 11, 2001, as amended at 78 FR 42312, July 15, 2013]

### Subpart F—Payments to States

# §457.600 Purpose and basis of this subpart.

This subpart interprets and implements—

- (a) Section 2104 of the Act which specifies the total allotment amount available for allotment to each State for child health assistance for fiscal years 1998 through 2015, the formula for determining each State allotment for a fiscal year, including the Commonwealth and Territories, and the amounts of payments for expenditures that are applied to reduce the State allotments.
- (b) Section 2105 of the Act which specifies the provisions for making payment to States, the limitations and conditions on such payments, and the calculation of the enhanced Federal medical assistance percentage.

[66 FR 2670, Jan. 11, 2001, as amended at 76 FR 9246, Feb. 17, 2011]

### § 457.602 Applicability.

The provisions of this subpart apply to the 50 States and the District of Columbia, and the Commonwealths and Territories.

#### § 457.606 Conditions for State allotments and Federal payments for a fiscal year.

- (a) Basic conditions. In order to receive a State allotment for a fiscal year, a State must have a State child health plan submitted in accordance with section 2106 of the Act, and
- (1) For fiscal years 1998 and 1999, the State child health plan must be approved before October 1, 1999;
- (2) For fiscal years after 1999, the State child health plan must be approved by the end of the fiscal year;